



STATE OF TENNESSEE WAIVER REQUEST

Waiver Subject:

Out-of-School Youth Expenditure

Statutory and Regulatory Requirement:

Tennessee is seeking a waiver of Section 129(a)(4)(A) and 20 CFR 681.410 which requires not less than seventy-five percent (75%) of funds allocated to states under section 127 (b) (1) (c) reserved under Section 128(a) and available for statewide activities under subsection (b) and not less than seventy-five percent (75%) of funds available to local areas under subsection (c) shall be used to provide youth workforce investment activities for out-of-school youth (OSY).

Background:

Tennessee has not collected sufficient data on the percentage of the OSY in each county; however, data were available for the two largest metro areas, Nashville and Memphis. The Memphis area show that eleven percent (11%) of youth between the ages of 16 to 19 were counted as out-of-school-youth in 2016 followed by twenty-two percent (22%) of youth between the ages of 20 to 24 and eighteen percent (18%) of youth between the ages of 16 and 24. For Metro Nashville, the data available was for youth ages 20-24 that made up eleven percent (11%) of all youth who were considered as out of school followed by eight percent (8%) for youth ages 16-24.

Statewide count shows seven percent (7%) of youth between the ages of 16-19 as out-of-school youth followed by eighteen percent (18%) for ages 20-24 and 13% for those youth ages 16-24. This data is for 2016 and is available for view at <https://datacenter.kidscount.org/data/tables/9292-youth-not-attending-school-and-not-work>.

Due to the low unemployment and the small percentages of OSY Metro areas with the largest number of youth, Tennessee would like to request a waiver to reduce the percentage of funds required for expenditures for OSY by twenty-five percent (25%). Tennessee will continue to recruit and assist all OSY during the waiver approval period.



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Waiver Request:

Reducing the percentage of expenditures for out of school youth from seventy-five percent (75%) to fifty percent (50%) would allow the Local Workforce Development Boards (LWDBs) ability to meet the needs of in-school youth (ISY) in the local demographic area.

Reason for the Request:

The seventy-five percent (75%) OSY expenditure requirement limits the ability of the local area to:

- Consider local demographic needs and direct resources to youth population determined to have the highest need for that area.
- Prevent at-risk ISY from dropping out of school and from increasing the number of OSY in the area.

Actions Undertaken to Remove State or Local Statutory or Regulator Barriers:

Currently, no state or local statutory or regulatory barriers exist. The State of Tennessee regulation and policy statements are in compliance with the current federal law.

Goals and Outcomes:

As data collected for 2017 becomes available the state will provide the latest outcome:

- The approval of this waiver would permit LWDBs the opportunity to determine how best to meet the educational and training needs of youth, regardless of school status, and specific to the population, geographical location, and economic and employment conditions of each LWDA.
- Additionally, increasing outreach to ISY while maintaining a focus on serving OSY will help develop a larger pool of young people qualified and prepared to meet the current and future needs of employers in their workforce areas and throughout the state.

Individuals impacted by this Waiver:

- Tennessee's LWDBs that will increase the number of ISY receiving services based on the demography of the ISY in the LWDA.
- The ISY who will receive the services as described in WIOA Section 123; Section 129 (c)(2) and 20 CFR 681.420.



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Description of the Monitoring Process:

Tennessee Department of Labor and Workforce Development (TDLWD) and LWDBs will be responsible for monitoring the increase of in-school participation rate during the annual monitoring on-site and desktop review.

Opportunity for Local Board and Public Comment on Waiver Request:

The waiver request will be posted on the TDLWD's website for thirty (30) days and for public review and comment, and for comments from our partners. Consistent with general waiver request requirements, TDLWD is adhering to publication requirements to ensure the broadest participation possible including informing appropriate youth program partners such as schools, labor, and community-based organizations. This waiver has is developed in consultation with LWDBs.

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